

December 16, 2016

Mr. Peter Felitti
77 W. Jackson Blvd.
C-14J
Chicago, IL 60604

Dear Mr. Felitti:

On behalf of The Peoples Gas Light and Coke Company, I am writing to request a meeting with the United States Environmental Protection Agency (USEPA) to discuss transferring oversight of the response activities at certain upland operable units located along the Chicago River from USEPA to the Illinois Environmental Protection Agency (IEPA), specifically: North Station and Division Street Station (part of the North Branch Site); Hough Place Station and Pitney Court Station (part of the South Branch Site); and North Shore Avenue Station (part of the North Shore Avenue Site) (collectively, the “Operable Units”).

All of the Operable Units are the subject of the October 31, 2008 Administrative Settlement Agreement and Order on Consent for Remedial Investigations and Feasibility Studies. Hough Place Station and Pitney Court Station are also the subject of the June 5, 2007 Administrative Settlement Agreement and Order on Consent for Removal Action.

Peoples Gas requests the transfer of oversight to optimize each agency’s resources and ultimately accelerate the response activities at the Operable Units. Under USEPA, Peoples Gas has nearly completed the remedial investigation of the Operable Units and successfully completed removal actions at Hough Place and Pitney Court. Under IEPA, we have nearly completed remedial actions at North Shore Avenue, most of Division, and a portion of North Station. The Operable Units present little to no threat to human health or the environment, and therefore could be shepherded to completion by IEPA. In contrast, we believe the remaining operable units should stay with USEPA, which include spans of the Chicago River that have not progressed as far in the process.

If USEPA agrees with our request to transfer oversight, we foresee modifying the 2007 Removal Action AOC and the 2008 RI/FS AOC to remove the Operable Units from the AOCs in the same way that Parcels C&D at the South Station Site were removed from the 2008 AOC.¹ The Operable Units, once moved to IEPA oversight, would be re-opened in the Site Remediation Program, and Peoples Gas would take the actions necessary to obtain No Further Remediation Letters for the Operable Units. With timely NFR Letters, these sites would be primed for redevelopment, which would support the City of Chicago’s initiatives to redevelop the industrial corridors along both branches of the Chicago River:

¹ The removal actions have been completed per the 2007 AOC, so terminating the 2007 AOC may make more sense.

https://www.cityofchicago.org/city/en/depts/dcd/supp_info/repositioning-chicago-s-industrial-corridors-for-today-s-economy.html.

We think this approach aligns with the principles of USEPA's Other Cleanup Activity program, as described in the April 2013 Report to Congressional Requesters, *Superfund: EPA Should Take Steps to Improve Its Management of Alternatives to Placing Sites on the National Priorities List* and the May 1995 OSWER *Guidance on Deferral of NPL Listing Determinations While States Oversee Response Actions* because none of the Operable Units poses an immediate threat, Peoples Gas has the resources to complete the cleanup of the Operable Units, and we are confident that IEPA would work with us to move the Operable Units to the Site Remediation Program.

Please consider this request and contact me at your earliest convenience to discuss setting up an in-person meeting.

Sincerely,

A handwritten signature in black ink, appearing to read "Charles R. Matthews". The signature is fluid and cursive, with a large initial "C" and "M".

Charles R. Matthews
President and Chief Executive Officer

Cc: William Ryan
Sarah Rolfes
Jenny Davison
Kevin Adler